

**Grantee: San Diego County, CA**

**Grant: B-08-UN-06-0506**

**October 1, 2012 thru December 31, 2012 Performance Report**

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**Grant Number:**

B-08-UN-06-0506

**Obligation Date:**

03/04/2009

**Award Date:**

03/03/2009

**Grantee Name:**

San Diego County, CA

**Contract End Date:**

03/03/2013

**Review by HUD:**

Reviewed and Approved

**Grant Amount:**

\$5,144,152.00

**Grant Status:**

Active

**QPR Contact:**

April S. Torbett

**Estimated PI/RL Funds:**

\$0.00

**Total Budget:**

\$5,144,152.00

## Disasters:

**Declaration Number**

NSP

## Narratives

**Areas of Greatest Need:**

This Action Plan is for the CDBG Neighborhood Stabilization Program Grant.

INTRODUCTION On July 30, 2008, Congress passed the Housing and Economic Recovery Act that appropriated \$3.92 billion of CDBG funds nationwide for emergency assistance for foreclosed or abandoned properties. On September 29, 2008, this \$3.92 billion was allocated to local and state jurisdictions by the U.S. Department of Housing and Urban Development (HUD), establishing the Neighborhood Stabilization Program (NSP). The County of San Diego's CDBG jurisdiction was allocated \$5,144,152 in grant funds. The County's jurisdiction includes the geographically large unincorporated area and the participating cities of Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway and Solana Beach. These grant funds are intended for the acquisition of foreclosed or abandoned properties that could be sources of blight within community. The County of San Diego's Department of Housing and Community Development (HCD) will administer the County's allocation of these funds. The strategy developed by the County of San Diego for the use of these funds will: 1. Create homebuyer opportunities for income eligible households to purchase foreclosed or abandoned homes; 2. Provide funds for the rehabilitation of foreclosed or abandoned homes purchased through this program with an emphasis on improvements resulting in increased energy efficiency and conservation of natural resources; 3. Provide funds to non-profit organizations and/or housing developers to purchase foreclosed or abandoned properties for rental units for income eligible households and/or special needs households. Administration for the NSP program for the target areas of unincorporated San Diego County and the cities of Coronado, Solana Beach, Del Mar, Poway, Imperial Beach, and Lemon Grove.

**Distribution and and Uses of Funds:**

A. AREAS OF GREATEST NEED To determine the geographic areas of greatest NSP need, data provided by HUD and local data from DataQuick Information Systems was utilized.

B. DISTRIBUTION AND USES OF FUNDS Target areas with the greatest percentage of home foreclosures by community were identified by evaluating current local data from DataQuick Information Systems. Targeted communities include: Campo, Spring Valley, Jacumba, Lemon Grove, Boulevard, Pine Valley, Ranchita, Guatay, Dulzura, Bonsall, Valley Center, Imperial Beach, Lakeside, Palomar Mountain, Pauma Valley, Ramona, Fallbrook, Lincoln Acres, Bonita, Potrero, and Alpine.

The NSP funds will be used to provide assistance to low, moderate, and middle income (LMMI) homebuyers to purchase and rehabilitate foreclosed or abandoned properties. At least 25% of the NSP grant will be used to benefit low income households in the target areas.

Rental Acquisition, Development, and Rehabilitation Program: Housing acquired, developed, or rehabilitated with NSP funds for the purpose of providing permanent housing for LMMI individuals or families must be maintained as affordable housing for a period of 15 years and, in the case of rental properties, restrictive covenants will be placed on the title of the properties, which will hold a superior position to all liens and encumbrances.

The County of San Diego will target rehabilitation funds to improvements that will improve conservation and energy savings. All rehabilitation will be performed under the supervision of a licensed contractor in compliance with all local code requirements.

C. LOW INCOME TARGETING The amount of the NSP funds targeted to low-income households will be no less than \$1,286,038, which is 25% of the total NSP allocation.

D. ACQUISITIONS & RELOCATION The County of San Diego does not intend to demolish or convert low- and moderate income dwelling units with NSP funds.

**E. ACTIVITIES**

NSP Downpayment/Closing Cost Assistance and Rehabilitation Program

(1) Activity Name: NSP Downpayment/Closing Cost Assistance and Rehabilitation Program (DCCAR)

(2) Activity Type: This NSP activity provides funds for the purchase of abandoned or foreclosed homes in the targeted areas for low, moderate, or middle income households.



(3) National Objective: This activity will benefit low, moderate and middle income persons as defined in the NSP Notice. The NSP funds will be targeted to the areas of greatest need. The NSP DCCAR will benefit income-qualified persons by allowing them to purchase homes that they may not otherwise qualify to purchase and to provide rehabilitation funds for conservation and energy savings improvements to these homes. This program will allow eligible homebuyers with incomes up to 120% of the local area median income, as adjusted by household size, to purchase homes.

The NSP DCCAR loans are forgivable after 15 years, provided eligible homebuyers continue to occupy the homes as their primary residences, do not refinance for cash out purposes, and comply with all loan requirements.

NSP Affordable Housing Acquisition, Rehabilitation and Development Program

(1) Activity Name: NSP Affordable Housing Acquisition, Rehabilitation, and Development Program

(2) Activity Type: This NSP activity type is for the purchase, rehabilitation, and red

#### Distribution and and Uses of Funds:

velopment of homes and residential properties.

(3) National Objective: The National Objective for this activity is to provide housing for households at or below 120% of the area median income.

(4) Activity Description: This activity will provide NSP funds to eligible non-profit agencies and developers to acquire, develop, and rehabilitate eligible foreclosed properties to provide long-term affordable housing for eligible individuals and families with priority for projects that benefit households with incomes at or below 50% of the area median income.

All properties acquired under this activity with NSP funds will have restrictive covenants for a mandatory 15 year affordability period for the agreed upon project affordability levels. The funds will be issued as loans, but the loans will be forgiven after 15 years, providing all loan and program terms are complied with.

NSP Administration

(1) Activity Name: NSP Administration

(2) Activity Type: NSP-grant administration HERA Section 2301 (e ) 2; CDBG grant administration 24 CFR 570.489(a)(i) is superseded by HERA.

(3) National Objective: Not required for administration.

(4) Activity Description: This activity is grant administration.

#### Definitions and Descriptions:

#### Low Income Targeting:

#### Acquisition and Relocation:

#### Public Comment:

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,144,152.00
Total Budget	\$5,144,152.00	\$5,144,152.00
Total Obligated	\$0.00	\$5,144,152.00
Total Funds Drawdown	\$91,418.27	\$5,008,252.62
Program Funds Drawdown	\$91,418.27	\$5,008,252.62
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$104,820.32	\$5,023,065.24
Match Contributed	\$0.00	\$0.00



## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$771,622.80	\$0.00
Limit on Admin/Planning	\$514,415.20	\$449,438.97
Limit on State Admin	\$0.00	\$449,438.97

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,286,038.00	\$4,520,546.00

## Overall Progress Narrative:

During the reporting period of October 1, 2012 to December 31, 2012, a total of \$91,418.27 was drawn in DRGR. These drawdowns reflect County HCD NSP1 2A NOFA and 3A administrative activities during the quarter. County HCD obligated all NSP funds as of the July-September 2010 reporting period. County HCD released a final NSP1 2A acquisition NOFA on September 25, 2012, as an effort to expend all remaining NSP1 NOFA completed balances. This NOFA initially expired on November 15, 2012. County HCD first extended the NOFA until December 14, 2012. The NOFA was again extended until January 18, 2013. A final extension has been released and expires on February 15, 2013.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1A, 1A NSP Homeownership	\$0.00	\$137,500.00	\$137,500.00
2A, 2A NOFA	\$83,309.72	\$4,520,546.00	\$4,421,313.65
3A, 3A NSP Administration	\$8,108.55	\$486,106.00	\$449,438.97



## Activities

<b>Grantee Activity Number:</b>	<b>2A NOFA Rental-H</b>
<b>Activity Title:</b>	<b>2A NOFA Rental</b>

**Activity Category:**

Acquisition - general

**Project Number:**

2A

**Projected Start Date:**

04/01/2009

**Benefit Type:**

Direct ( HouseHold )

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

2A NOFA

**Projected End Date:**

09/30/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

Hitzke Assets, LLC.

Overall	Oct 1 thru Dec 31, 2012	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$815,658.00
<b>Total Budget</b>	\$815,658.00	\$815,658.00
<b>Total Obligated</b>	\$0.00	\$815,658.00
<b>Total Funds Drawdown</b>	\$83,309.72	\$797,855.34
<b>Program Funds Drawdown</b>	\$83,309.72	\$797,855.34
<b>Program Income Drawdown</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Total Funds Expended</b>	\$94,964.21	\$809,509.83
County of San DiegoDepartment of Housing and Community	\$94,964.21	\$809,509.83
Hitzke Assets, LLC.	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00

### Activity Description:

This activity provides NSP funds to eligible non-profit agencies and developers to acquire, develop, and rehabilitate eligible foreclosed properties to provide long-term affordable housing for eligible individuals and families with priority for projects that benefit households with incomes at or below 50% of the area median income. All properties acquired under this activity with NSP funds will have restrictive covenants for a mandatory 15 year affordability period for the agreed upon project affordability levels. The funds will be issued as loans, but the loans will be forgiven after 15 years, provided all loan and program terms are complied with. The types of housing that will be provided through this activity are LMMI permanent rental housing. This activity may target or prioritize funding for permanent housing for special needs populations, such as persons with disabilities or the elderly. The NSP funds under this activity will be targeted to the areas of greatest need as identified previously. This means that first priority for projects will be given to proposals for housing to be acquired within the highest priority target areas. This activity 2A NOFA Rental-H includes single unit rental acquisition/rehabilitation properties. These single unit property locations will be reported under this activity 2A NOFA Rental-H on the quarterly performance reports. Each multi-family NOFA Rental acquisition/rehabilitation activity will be set-up in DRGR under a unique activity number.

### Location Description:

Targeted areas of Unincorporated San Diego County and the cities of Coronado, Del Mar, Solana Beach, Lemon Grove, Imperial Beach, and Poway as identified in the HUD local area data and local data compiled by DataQuick. Assisted activity locations include: 13032 Mapleview Street, Lakeside 92040 (Census Tract 168.04), and 1400 Madera Street, Lemon Grove 91945 (Census Tract 142).



## Activity Progress Narrative:

During the reporting quarter, rehabilitation was completed at 1400 Madera Street in Lemon Grove, the final NSP1 NOFA 2A activity. Final site inspection of the property was completed in November 2012. The Madera property was occupied on December 1, 2012. Address and beneficiary data for Madera has been reported in DRGR for this reporting quarter. A total of \$83,309.72 was drawn for rehabilitation invoices. An additional \$11,654.49 was incurred, but will be reported as drawn next quarter. Funds totaling \$94,964.21 were expended during the quarter.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	1	2/2
# of Parcels acquired voluntarily	1	2/2

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	2/2
# of Singlefamily Units	1	2/2

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	1	0	1	2/2	0/0	2/2	100.00
# Renter Households	1	0	1	2/2	0/0	2/2	100.00

## Activity Locations

Address	City	County	State	Zip	Status / Accept
1400 Madera Street	Lemon Grove		California	91945-	Not Validated / N

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>3A NSP Administration</b>
<b>Activity Title:</b>	<b>3A NSP Administration</b>

**Activity Category:**

Administration

**Activity Status:**

Under Way

**Project Number:**

3A

**Project Title:**

3A NSP Administration

**Projected Start Date:**

04/01/2009

**Projected End Date:**

09/30/2011

**Benefit Type:**

( )

**Completed Activity Actual End Date:****National Objective:**

N/A

**Responsible Organization:**

County of San Diego

**Overall****Oct 1 thru Dec 31, 2012****To Date****Total Projected Budget from All Sources**

N/A

\$278,066.72

**Total Budget**

\$278,066.72

\$278,066.72

**Total Obligated**

\$0.00

\$278,066.72

**Total Funds Drawdown**

\$8,108.55

\$241,399.69

**Program Funds Drawdown**

\$8,108.55

\$241,399.69

**Program Income Drawdown**

\$0.00

\$0.00

**Program Income Received**

\$0.00

\$0.00

**Total Funds Expended**

\$9,856.11

\$244,557.82

County of San DiegoDepartment of Housing and Community \$9,856.11

\$244,557.82

**Match Contributed**

\$0.00

\$0.00

**Activity Description:**

This activity is grant administration which includes, but is not limited to, the following administration activities: Compliance monitoring (NSP requirement, Labor Standards, Section 3, procurement, conflict of interest, EEO, URA, affirmative marketing, etc.); Environmental review for compliance with the National Environmental Policy Act (NEPA); Contracting; Procurement (including issuing appropriate Requests for Proposals, Notices of Funding Opportunities, etc.); Financial data collection, reporting, and tracking; Producing necessary reports; Data entry and reporting through DRGR; Providing technical assistance to activity sponsors; and, ensuring public participation.

**Location Description:**

Administration for the NSP program for the target areas of unincorporated San Diego County and the cities of Coronado, Solana Beach, Del Mar, Poway, Imperial Beach, and Lemon Grove.

**Activity Progress Narrative:**

NSP1 administrative activities that took place during the reporting quarter of October 1, 2012 to December 31, 2012 include: DRGR data entry; preparation, review and processing of activity invoices and documents; preparation, review and processing of NOFA documents; and financial tracking and reporting. NSP1 administrative activities resulted in total drawdowns in DRGR of \$8,108.55. The \$8,108.55 reflects \$1,410.57 drawn 11/2/12, \$134.61 drawn 11/2/12, \$2,637.55 drawn 11/19/12, and \$3,925.82 drawn on 12/21/12. The \$1,410.57 was incurred last quarter, but drawn in DRGR this reporting quarter. The reported expenditures of \$9,856.11 reflects \$134.61 drawn 11/2/12, \$2,637.55 drawn 11/19/12, \$3,925.82 drawn 12/21/12, and \$3,158.13 not yet drawn. The \$3,158.13 will show in DRGR during the next reporting quarter (January-March 2013.)



## Accomplishments Performance Measures

No Accomplishments Performance Measures found.

## Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

## Activity Locations

No Activity Locations found.

## Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

### Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

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